Report in 1994. However, some banks have incurred credit losses on their derivative contracts, but the agencies cannot track these losses for individual institutions or for the industry as a whole. Therefore, a new item would be added in which those banks that are required to report past due derivative data would also report their year-to-date credit losses on derivatives.

On a related matter, the Call Report instructions for reporting amounts associated with derivatives that are past due 90 days or more would be revised so that banks would begin to also include information about derivatives that, while not technically past due, are with counterparties that are not expected to pay the full amounts owed to the institution under the derivative contracts.

(5) Change in Frequency of Reporting on Securitized Credit Card Receivables

In order to evaluate the financial performance of credit card banks and other banks with credit card operations that have securitized and sold credit card receivables, the volume of receivables on all of the credit card accounts managed or serviced by a bank, both on and off of the books, must be known. Banks that file the FFIEC 031 and 032 report forms (i.e., banks with $300 million or more in assets or with foreign offices) report annually as of September 30 the outstanding amount of ''Credit cards and related plans'' that have been securitized and sold without recourse with servicing retained. In contrast, these banks report the amount of ''Credit cards and related plans'' on their books each quarter. Given the growth in the volume of bank credit card securitizations, these banks would begin to report the outstanding amount of securitized credit card receivables that they service on a quarterly rather than annual basis.

Instructional Changes

The following changes, which may affect how some banks report certain information in the Call Report, would be made to the instructions.

(1) Reporting of low level recourse for risk-based capital purposes—The three banking agencies amended their risk-based capital standards earlier this year to incorporate the low level recourse rule. (For OCC: 60 FR 17986, April 10, 1995. For Board: 60 FR 8177, February 13, 1995. For FDIC: 60 FR 15858, March 28, 1995.) Under this rule, when a bank has transferred assets with recourse, the amount of risk-based capital that must be maintained is limited to the bank's maximum contractual exposure under the recourse agreement if this is less than the amount of capital that would have to be held against the outstanding amount of the transferred assets.

In the Call Report materials distributed to banks for the first three quarters of this year, interim guidance has been provided on how low level recourse transactions should be reported in the risk-based capital schedule (Schedule RC–R). Under this interim guidance, a bank's maximum contractual exposure in a low level recourse transaction is multiplied by a factor that is a function of the risk weight category applicable to the transferred assets. The resulting amount is then reported in the Schedule RC–R item for the applicable risk weight and would thereby be included in the bank's risk-weighted assets. This interim guidance would now be formally incorporated into the Call Report instructions.

(2) Reporting of quarterly averages in a quarter when push down accounting has been applied—The instructions for the quarterly average calculations in Schedule RC–K would be clarified to indicate that banks acquired in push down transactions should calculate quarterly averages using only amounts for the days since the acquisition in the numerator and the number of days since the acquisition in the denominator.

(3) Instructions for Schedule RC–R, item 8, ''On-balance sheet asset values excluded from the calculation of the risk-based capital ratio''—Schedule RC–R, item 8, includes any positive fair values carried on the balance sheet for interest rate, foreign exchange, equity derivative, and commodity and other contracts that are treated as off-balance sheet instruments for risk-based capital purposes. Because the fair values of such contracts, if positive, are included in the calculation of their credit equivalent amounts for risk-based capital purposes, the reporting of these amounts in item 8 ensures that they are not ''double counted'' when the agencies calculate a bank's risk-weighted assets.

In contrast, the existing instructions indicate that accrued receivables associated with off-balance sheet derivative contracts are to be excluded from item 8 and assigned to the appropriate risk weight category in the same manner as other on-balance sheet items. However, consistent with GAAP, institutions may include accrued receivables related to derivative contracts in the fair value of such contracts. Thus, the instructions would be revised to permit institutions to report accrued receivables in item 8 when these amounts are included in a bank's credit equivalent amount calculations.

(4) Other—Instructions for mortgage servicing rights and trading accounts would be revised to bring them into conformity with GAAP. Clarifications or other conforming changes would also be made to several other instructions.

Request for Comment

Comments submitted in response to this Notice will be shared among the agencies and will be summarized or included in the agencies' requests for OMB approval. All comments will become a matter of public record. Written comments should address the accuracy of the burden estimates and ways to minimize burden including the use of automated collection techniques or the use of other forms of information technology as well as other relevant aspects of the information collection request.

Dated: November 8, 1995.

James F.E. Gillespie,

Director, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency.

Board of Governors of the Federal Reserve System, November 7, 1995.

William W. Wiles,

Secretary of the Board.

Dated at Washington, DC, this 9th day of November 1995.

Federal Deposit Insurance Corporation.

Jerry L. Langley,

Executive Secretary.

[FR Doc. 95–28251 Filed 11–15–95; 8:45 am]

BILLING CODES OCC: 4810–33–P 1/3; Board: 6210–01–P 1/3; FDIC: 6714–01–P 1/3

Customs Service

Country of Origin Marking Requirements for Wearing Apparel

AGENCY: Customs Service, Department of the Treasury.

ACTION: Proposed change of practice; solicitation of comments.

SUMMARY: This notice advises the public that Customs proposes to change the practice regarding the country of origin marking of wearing apparel. Customs previously has ruled that wearing apparel, such as shirts, blouses, coats, sweaters, etc., must be marked with the name of the country of origin by means of a fabric label or label made from natural or synthetic film sewn or otherwise permanently affixed on the inside center of the neck midway between the shoulder seams or in that immediate area or otherwise permanently marked in that area in

some other manner. Button tags, string tags and other hang tags, paper labels and other similar methods of marking are not acceptable. The proposed change set forth herein would evaluate the marking of such wearing apparel on a case-by-case basis in order to determine whether the requirements of 19 U.S.C. 1304 are satisfied.

DATES: Comments must be received on or before January 16, 1996.

ADDRESSES: Written comments (preferably in triplicate) may be addressed to the Regulations Branch, Office of Regulations and Rulings, U.S. Customs Service, Franklin Court, 1301 Constitution Avenue NW., Washington, D.C. 20229. Comments submitted may be inspected at the Regulations Branch, Office of Regulations and Rulings, U.S. Customs Service, Franklin Court, 1099 14th Street NW., Suite 4000, Washington, D.C.

FOR FURTHER INFORMATION CONTACT: Monika Rice, Special Classification and Marking Branch, Office of Regulations and Rulings (202–482–6980).

SUPPLEMENTARY INFORMATION:

Background

Section 304 of the Tariff Act of 1930, as amended (19 U.S.C. 1304), provides that, unless excepted, every article of foreign origin (or its container) imported into the U.S. shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article (or its container) will permit, in such a manner as to indicate to the ultimate purchaser in the U.S. the English name of the country of origin of the article. Part 134, Customs Regulations (19 CFR part 134), implements the country of origin marking requirements and exceptions of 19 U.S.C. 1304.

The primary purpose of the country of origin marking statute is to ''mark the goods so that at the time of purchase the ultimate purchaser may, by knowing where the goods were produced, be able to buy or refuse to buy them, if such marking should influence his will.'' *United States* v. *Friedlaender & Co.*, 27 CCPA 297, 302, C.A.D. 104 (1940). The clear language of section 1304 requires ''permanent'' and ''conspicuous'' marking, and to this end 19 CFR 134.41 provides, in part, that the degree of permanence should be at least sufficient to insure that in any reasonably foreseeable circumstance, the marking shall remain on the article until it reaches the ultimate purchaser unless it is deliberately removed, and that the ultimate purchaser in the U.S. must be able to find the marking easily and read it without strain.

In T.D. 54640(6), 93 Treas. Dec. 301 (1958), Customs determined that on and after October 1, 1958, wearing apparel, such as shirts, blouses, coats, sweaters, etc., must be legibly and conspicuously marked with the name of the country of origin by means of a fabric label or label made from natural or synthetic film sewn or otherwise permanently affixed on the inside center of the neck midway between the shoulder seams or in that immediate area or otherwise permanently marked in that area in some other manner. Button tags, string tags and other hang tags, paper labels and other similar methods of marking were not considered acceptable after October 1, 1958. The requirement in T.D. 54640(6) that the country of origin marking should appear on the inside center of the neck midway between the shoulder seams or in that immediate area is consistent with the Textile Fiber Products Identification Act as enforced by the Federal Trade Commission.

Subsequently, T.D. 55015(4), 95 Treas. Dec. 3 (1960), extended T.D. 54640(6), to allow the country of origin marking of reversible garments to be looped around the hanger. On the basis of this extension, Customs has allowed ladies reversible jackets to be marked with a cardboard hang tag affixed to the neck area by means of a plastic anchor tag. Customs noted that since the jacket was reversible, a fabric label sewn into the jacket could damage the jacket when the label was removed. Headquarters Ruling Letter (HRL) 731513 dated November 15, 1988. Similarly, in HRL 733890 dated December 31, 1990, Customs allowed women's reversible silk tank tops to be marked with a cloth label, showing the country of origin and other pertinent information sewn into a lower side seam, and a hang tag which also provided the required information attached at the neck. See also HRL 734889 dated June 22, 1993.

In order to allow more flexibility in achieving the objectives of the marking statute, Customs is now proposing to change its position and modify that portion of T.D. 54640(6) relating to the requirement of a fabric label or label made from natural or synthetic film sewn to the article, and the disallowance of button tags, string tags and other hang tags, paper labels and other similar methods of marking. Rather, Customs proposes to evaluate the country of origin marking of wearing apparel, such as shirts, blouses, coats, sweaters, etc., on a case-by-case basis to determine if it is conspicuous, legible, indelible, and permanent to a degree sufficient enough to remain on the shirt until it reaches the ultimate purchaser. The portion of T.D. 54640(6) relating to the requirement of placing the country of origin marking at the inside center of the neck of a shirt midway between the shoulder seams or in that immediate area, shall remain in effect.

It should be noted that this proposed change in practice does not exempt textile fiber products imported into the U.S. from the labeling requirements of the Textile Fiber Products Identification Act enforced by the Federal Trade Commission.

Authority

This notice is published in accordance with § 177.9, Customs Regulations (19 CFR 177.9).

Comments

Before adopting this proposed change in position, consideration will be given to any written comments timely submitted to Customs. Comments submitted will be available for public inspection in accordance with the Freedom of Information Act (5 U.S.C. 552), § 1.4, Treasury Department Regulations (31 CFR 1.4), and § 103.11(b), Customs Regulations (19 CFR 103.11(b)), on regular business days between the hours of 9 a.m. and 4:30 p.m. at the Regulations Branch, Franklin Court, 1099 14th Street NW., Suite 4000, Washington, DC.

George J. Weise,

Commissioner of Customs.

Approved: October 24, 1995.

Dennis M. O'Connell,

Acting Deputy Assistant Secretary of the Treasury.

[FR Doc. 95–28265 Filed 11–15–95; 8:45 am]

BILLING CODE 4820–02–P

Fiscal Service

1996 Fee Schedule for the Transfer of U.S. Treasury Book-Entry Securities Held at Federal Reserve Banks

AGENCY: Bureau of the Public Debt, Fiscal Service, Department of the Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury is announcing the schedule of fees to be charged in 1996 on the transfer of book-entry Treasury securities between depository institution accounts maintained at Federal Reserve Banks and Branches, as well as transfers to and from Federal Reserve Bank accounts.

EFFECTIVE DATE: January 1, 1996.

FOR FURTHER INFORMATION CONTACT:

Carl M. Locken, Jr., Assistant Commissioner (Financing), Bureau of